



Central Montana Communications, Inc.

PO Box 751 • Havre MT 59501

Phone (406) 394-2000 • Fax (406) 394-7801

June 30, 2015

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: WC Docket No. 14-58, Annual §54.313 Report of High-Cost Recipient

Dear Ms. Dortch:

Enclosed herein is the annual report for Central Montana Communications, Inc., Study Area Code 483310 pursuant to §54.313 of the Commission's rules. Central Montana Communications, Inc. is a state-designated LTC.

Should you have any questions, please contact me via e-mail at rstevens@itstriangle.net or by phone at (406)394-7807.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Stevens", followed by a horizontal line.

Richard Stevens
General Manager

Enclosure

Cc: Montana Public Service Commission
Fort Belknap Tribal Council

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

 FCC Form 481
 DMB Control No. 9050-0886/OMB Control No. 3050-0815
 July 2013

<010>	Study Area Code	481110
<015>	Study Area Name	CLATSOP COUNTY, WA
<020>	Program Year	2016
<030>	Contact Name: Person USAC should contact with questions about this data	Call Ralphy
<035>	Contact Telephone Number: Number of the person identified in data line <030>	4063947807 ext. 855
<039>	Contact Email Address: Email of the person identified in data line <030>	grahney811@clatsop.net

ANNUAL REPORTING FOR ALL CARRIERS		54,313 Completion Required	54,422 Completion Required
<100>	Service Quality Improvement Reporting (complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200>	Outage Reporting (voice) (complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210>	<input type="text"/> < check box if no outages to report	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<300>	Unfulfilled Service Requests (voice) <input type="text"/> 481110at310.pdf	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310>	Detail on Attempts (voice) (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<320>	Unfulfilled Service Requests (broadband) <input type="text"/> 0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330>	Detail on Attempts (broadband) (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<400>	Number of Complaints per 1,000 customers (voice)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410>	Fixed <input type="text"/> 0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420>	Mobile <input type="text"/> 0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430>	Number of Complaints per 1,000 customers (broadband)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<440>	Fixed <input type="text"/> 0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<450>	Mobile <input type="text"/> 0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<500>	Service Quality Standards & Consumer Protection Rules Compliance (check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510>	<input type="text"/> 481110at310.pdf (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600>	Functionality in Emergency Situations (check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610>	<input type="text"/> 481110at310.pdf (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700>	Company Price Offerings (voice) (complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710>	Company Price Offerings (broadband) (complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<800>	Operating Companies and Affiliates (complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900>	Tribal Land Offerings (Y/N)? <input checked="" type="radio"/> Yes <input checked="" type="radio"/> No (if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000>	Voice Services Rate Comparability Certification <input type="text"/> Yes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010>	<input type="text"/> 481110at310.pdf (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100>	Certify whether terrestrial backhaul options exist (Yes or No) <input checked="" type="radio"/> Yes <input checked="" type="radio"/> No (if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1200>	Terms and Condition for Lifeline Customers (complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet			
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers			
<2000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<2005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet			
<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**(10) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 484

OMB Control No. 3050-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 153310
 <011> Study Area Name C. DUTRA, QUINTANA
 <020> Program Year 2016
 <030> Contact Name - Person USAC should contact regarding this data Caia Robey
 <035> Contact Telephone Number - Number of person identified in data line <030> 3063947807 ext. 250
 <039> Contact Email Address - Email Address of person identified in data line <030> grriney@itc.fcc.gov

<110> Has your company received its ETC certification from the FCC? (yes / no) ☐ ☒

If your answer to line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC? (yes / no) ☐ ☒

If your answer to line <112> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

451310et112.pdf, 153310et112.pdf

Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113> Maps detailing progress towards meeting plan targets
 <114> Report how much universal service (USF) support was received
 <115> How much (USF) was used to improve service quality and how support was used to improve service quality
 <116> How much (USF) was used to improve service coverage and how support was used to improve service coverage
 <117> How much (USF) was used to improve service capacity and how support was used to improve service capacity
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.

Yes
 Yes
 Yes
 Yes
 Yes
 Yes

FCC Form 481
OMB Control No. 3060-0985/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	483330
<015>	Study Area Name	CASJUAL, DUNFRAA
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Gail B. Bailey
<035>	Contact Telephone Number - Number of person identified in data line <030>	4063947887 ext. 555
<039>	Contact Email Address - Email Address of person identified in data line <030>	gcb@nycit.org

[illegible]

<010>	Study Area Code	491310
<015>	Study Area Name	UW-Mad. PORTAGE
<020>	Program Year	2014
<030>	Contact Name - Person USAC should contact regarding this data	Gail Rainey
<035>	Contact Telephone Number - Number of person identified in data line <030>	6082947007 ext. 855
<039>	Contact Email Address - Email Address of person identified in data line <030>	gvrainey@tatriannic.net

[illegible]

<010>	Study Area Code	802310
<015>	Study Area Name	CONTRAL RMP7300A
<020>	Program Year	2016
<030>	Contact Name - Person USA-C should contact regarding this data	Bill McKinney
<035>	Contact Telephone Number - Number of person identified in data line <030>	9061947000 ext. 485
<039>	Contact Email Address - Email Address of person identified in data line <030>	gmckinney@lucaclearing.com

[illegible]

(800) Operating Companies
Data Collection Form

FCC Form 48J
 OMB Control No.: 3060-0985/OMB Control No. 3060-0819
 July 2013

<010> Study Area Code

<015> Study Area Numeric

Program Year

<035> Contact Telephone

<039>	Contact Email Address
-------	-----------------------

<@!@> Reporting Carder

<H1> Welding Company

<817> Operational Environment

48130

418

Affiliates

ca2>

SAC

CPD

Doing Business As Company or Brand Designation

See attached worksheet

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	483310
<015>	Study Area Name	CENTRAL MONTANA
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Paul Kelsey
<035>	Contact Telephone Number - Number of person identified in data line <030>	4063547807 ext. 000
<039>	Contact Email Address - Email Address of person identified in data line <030>	pkelsey@montana.gov

<910> Tribal Land(s) on which ETC Serves

Zipte Outback Indian Reservation


<920> Tribal Government Engagement Obligation

483310et920.pdf

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select Yes or No or Not Applicable
Yes

Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes

**(1100) No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	483310
<015>	Study Area Name	CENTRAL MONTANA
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Ra11 Rainey
<035>	Contact Telephone Number - Number of person identified in data line <030>	4063947807 ext.855
<039>	Contact Email Address - Email Address of person identified in data line <030>	graineyx@tacomco.net

<1120> Please confirm whether terrestrial backhaul options exist within the supported area pursuant to § 54.313(g) (Yes, No).

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

(1200) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form

FCC Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0819
 July 2013

<010>	Study Area Code	483310
<015>	Study Area Name	CENTRAL MONTANA
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Gail Rainey
<035>	Contact Telephone Number - Number of person identified in data line <030>	9065917007 ext. 855
<039>	Contact Email Address - Email Address of person identified in data line <030>	grainey@itstrangle.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

483310nc1210.pdf

Name of Attached Document

<1220> Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.122(a)(2) annual reporting for LTCs receiving low-income support; carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,



<1222> Details on the number of minutes provided as part of the plan,



<1223> Additional charges for toll calls, and rates for each such plan.



(2000) Price Cap Carrier Additional Documentation**Data Collection Form**

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FOC Form 481

OMB Control No. 3060-0086/OMB Control No. 3060-0810

July 2013

<010>	Study Area Code	483310
<015>	Study Area Name	CENTRAL MONTANA
<020>	Program Year	2016
<030>	Contact Name - Person USAC should contact regarding this data	Gail Kethley
<040>	Contact Telephone Number - Number of person identified in data line <030>	4063947607 ext. 888
<050>	Contact Email Address - Email Address of person identified in data line <030>	gkethley@mtc1061016.net

FOC Form 481 is a public document. It is not to be used for the purpose of identifying or disclosing information that is exempt from public release under the Freedom of Information Act, 5 U.S.C. 552.

Select the appropriate responses below [Yes, No, Not Applicable] to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

- <2010> 2nd Year Certification (47 CFR § 54.313(b)(1)(i))
- <2011> 3rd Year Certification (47 CFR § 54.313(b)(1)(ii))
- <2011L> Attachment (47 CFR § 54.313(b)(1)(ii))

Name of Attached Document(s) Using Required Information

Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))

- <2012> 2013 Frozen Support Calculation (47 CFR § 54.313(c)(1))
- <2013> 2014 Frozen Support Calculation (47 CFR § 54.313(c)(2))
- <2014> 2015 Frozen Support Calculation (47 CFR § 54.313(c)(3))
- <2015> 2016 and future Frozen Support Calculation (47 CFR § 54.313(c)(4))

Price Cap Carrier Connect America IOC Support (47 CFR § 54.313(d))

- <2016> Certification Support Used to Build Broadband

--

Connect America Phase II Reporting (47 CFR § 54.313(e))

- <2017> 3rd year Broadband Service Certification
- <2018> 5th year Broadband Service Certification
- <2019> Interim Progress Certification
- <2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAI Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

- <2023> Interim Progress Community Anchor Institutions

Name of Attached Document(s) Using Required Information

(3010) Review of Worksheet Content Additional Documentation

Date Collection Form

ICC Form 461

Table Control No. 5000-0087/0000 Control No. 9060-2619

July 2013

<010> Study Area Code	483310
<015> Study Area Name	CENTRAL MOUNTAIN
<020> Program Year	2011
<030> Contact Name	Percep DAVIS, should contact Leguina, Uli-dia
<035> Contact Number	Number of person identified to date line <030>
<035> Contact Email Address	Percep DAVIS, should contact Leguina, Uli-dia

CHECK the boxes below to note compliance on the five year service quality plan (pursuant to 47 CFR § 94.313(f)(2)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 94.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

483310nc3010.pdf

(3010) Progress Report on 5 Year Plan
Milestone Certification (47 CFR § 94.313(f)(1)(ii))

Name of Attached Document Listing Required Information

(3011) Please check the box to confirm that the attached document(s), on line 3012, contains the required information pursuant to 47 CFR § 94.313(f)(1)(ii). The carrier shall provide the number, names, and addresses of subsidiary or affiliate institutions in which it is providing services in the preceding calendar year.

483310nc3012.pdf

(3012) Attachment (Number) Institution(s) 47 CFR § 94.313(f)(1)(ii)

(3013) Is your company a privately held carrier? (47 CFR § 94.313(f)(2))

(3014) If yes, does your company file the 2010 annual report?

Please check the boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to 47 CFR § 94.313(f)(2) compliance requires:

(3015) Electronic copy of their annual (10-K) reports (to be filed by the reporting carrier)

(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3017) If the response to 3014 on line 3014, attach your company's 2010 annual report and all required information.

(3018) If the response to 3014 is your company's 2010?

If the response to 3014 on line 3014, please check the boxes below to confirm your submission, on line 3019, pursuant to 47 CFR § 94.313(f)(2) contains:

(3019) Either a copy of their annual financial statement or (2) a financial report, in a format comparable to RUS Operating Report for Telecommunications

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3021) Management letter and audit opinion issued by the independent certified public accountant that performed the company's financial audit.

If the response to 3014 on line 3014, please check the boxes below to confirm your submission, on line 3022, pursuant to 47 CFR § 94.313(f)(2):

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant or a financial report in a format comparable to RUS Operating Report for Telecommunications

(3023) Underlying information subjected to a review by an independent certified public accountant

(3024) Underlying information subjected to an officer certification.

(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

(3000) Rate Of Return Carrier Additional Documentation (Continued)

Data Collection Form

FCC Form 481

OMB Control No. 3060-0062/OMB Control No. 3060-0619

July 2013

<010> Study Area Code	483310
<015> Study Area Name	HOUSTON - HOV-AND
<020> Program Year	2010
<030> Contact Name - Person USAC should contact regarding this data	Call Rainey
<035> Contact Telephone Number - If known, of person identified in data line <030>	409.284.7877 ext. 835
<039> Contact Email Address - Email Address of person identified in data line <030>	crainey@calixlogic.com

Financial Data Summary

(3027) Revenue

20209219

(3028) Operating Expenses

12056978

(3029) Net Income

3466991

(3030) Telephone Plant In Service (TPIS)

115775019

(3031) Total Assets

92004299

(3032) Total Debt

40609800

(3033) Total Equity

34628206

(3034) Dividends

5000000

Certification - Reporting Carrier Data Collection Form	07-Form 481 OMB Control No. 3206-0086/OMB Control No. 3206-0019 July 2013
--	---

<010> Study Area Code	423310
<015> Study Area Name	CENTRAL MEXICO
<020> Program Year	2015
<040> Contact Name - Person USAC should contact regarding this data	Gail Bailey
<035> Contact Telephone Number - Number of person identified in data line <030>	4063747807 ext. 255
<039> Contact Email Address - Email Address of person identified in data line <030>	gmbailey@tetraxinc12.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for Universal Service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: CENTRAL MEXICO	
Signature of Authorized Officer: CERTIFIED OFFICE	Date: 06/30/2015
Printed name of Authorized Officer: Richard Stevens	
Title or position of Authorized Officer: General Manager/CFO	
Telephone number of Authorized Officer: 406 374 7807 ext. 255	
Study Area Code of Reporting Carrier: 423310	Filing Date for this form: 07/01/2015
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or by criminal penalties under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

Five-Year Service Quality Improvement Plan – §54.313 (a)(1)

Pursuant to 47 C.F.R. 54.202(a)(1)(ii), Central Montana Communications, Inc. submits a five-year plan that describes proposed improvements or upgrades to its network throughout its proposed service area. Central also provides estimates regarding the area and population that will be served as a result of the improvements. This plan is based on Central's current business and financial conditions and is subject to change as a result of changes in those conditions.

Central has thirteen (13) wire centers identified as follows: HRLMMTXCDS0 in Harlem, MT, MOORMTXCRS1 in Moore, MT, DDSNMTXCRS1 in Dodson, MT, HBSNMTXCRS1 in Hobson, MT, JDGPMTXCRS1 in Judith Gap, MT, WSSPMTXCDS0 in White Sulphur Springs, MT, STFRMTXCRS1 in Stanford, MT, DNTNMTXCRS1 in Denton, MT, MRDLMTXCRS1 in Martinsdale, MT, FTBNMTXCDS0 in Fort Benton, MT, HRTNMTXCRS1 in Harlowton, MT, MALTMTXCDS0 in Malta, MT, and GLDNMTXCRS1 in Geraldine, MT.

Of these wire centers, FTBNMTXCDS0 in Fort Benton, MT, MALTMTXCDS0 in Malta, MT, WSSPMTXCDS0 in White Sulphur Springs, MT and DDSNMTXCRS1 in Dodson, MT have already been upgraded to FTTH in the years 2009, 2012, 2013 and 2014. All four wire centers are capable of delivering gigabit active Ethernet services. Subscribers served by these facilities have access that meets or exceeds the 4/1 Mbps standard. No capital improvements are required for those subscribers to meet the 10/1 Mbps standard other than maintenance of facilities. Approximately \$37.4 million has been spent constructing these FTTH upgrades.

The wire center of HRLMMTXCDS0 in Harlem, MT is in the process of being cutover to FTTH and will be capable of providing the same high-quality gigabit active Ethernet service offerings. The estimated value of this upgrade is \$14.7 million.

The remaining eight (8) wire centers of MOORMTXCRS1 in Moore, MT, HBSNMTXCRS1 in Hobson, MT, JDGPMTXCRS1 in Judith Gap, MT, STFRMTXCRS1 in Stanford, MT, DNTNMTXCRS1 in Denton, MT, MRDLMTXCRS1 in Martinsdale, MT, HRTNMTXCRS1 in Harlowton, MT, and GLDNMTXCRS1 in Geraldine, MT have already been upgraded to 18Kft customer service areas (CSA's) and have cost approximately \$17.1 million to complete. These upgrades have been completed with access equipment that, while state of the art at the time of installation, is now nearing the end of its useful life from a bandwidth delivery standpoint. The 5 year plan below shows how Central intends to upgrade this equipment so that a minimum broadband speed of 4/1Mbps can be offered to our customer base. Steps taken in 2014 to prepare for offering faster broadband speeds include the installation of 40 miles of fiber to feed copper fed DLC locations in the Geraldine and Judith Gap Exchanges.

Central upgraded their switching network in 2010 to an all IP Genband Soft Switch platform costing approximately \$868 thousand to implement.

Central is continually updating and growing its data network with a total of (9) Cisco ASR9K routers and (1) Cisco 7609 router presently deployed. The latest ASR9K's added to the network were in the Geraldine and Judith Gap Exchanges in 2014. An estimated \$1.95 million has been invested in this data

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

network to date. This investment has allowed Central to create two network diverse Internet Service Provider (ISP) POP's which creates a more resilient network during an accidental fiber cut.

Network protection and route redundancy have been one of the focal points for Central in the past few years. This protection and redundancy plan has included the investment in two (2) large fiber optic rings and Dense Wave Division Multiplexing (DWDM) equipment totaling an estimated 1.6 million dollars to complete. In 2014, Central benefited from the turn-up of a third fiber optic ring which provided network protection and redundancy to the lower third of our network making our entire network ring protected. Other updates to the protection rings included a 3.5 mile fiber reroute at Arrow Creek, Montana, to prevent a cable breakage from reoccurring due to extreme ground shifts.

Central has also been making strides to improve its network redundancy. In 2014, a consolidation of several discrete servers into one virtual server took place which improved the redundancy of the voice and data networks.

All of the above mentioned upgrades have utilized USF support, combined with RUS funding, to provide reliable, state-of-the-art, high-quality voice and broadband services to the 6,621 rural customers that Central serves. Central received \$10,343,967 in USF support in 2014 that was used to improve service quality, service coverage and service capacity. Approximately \$5,634,000 of that amount was spent on capital upgrades in 2014 broken out as follows:

Harlem FTTH	\$ 3,004,000
Dodson FTTH	525,000
Judith Gap FTTH	287,000
Geraldine FTTH	1,050,000
Miscellaneous DLC/router upgrades	768,000

The remainder of the USF funds (\$4,709,967) was spent on the provisioning and maintenance of service to subscribers.

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

Central Montana Communications, Inc. anticipates that it will make the following improvements and/or upgrades to its network over the next six years:

2015 Projected Network Improvements/Upgrades VOICE				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Upgrade existing access platform from TDM to VoIP in the Geraldine and Judith Gap CO footprints. Upgrade provides MGCP interface to soft switch.	April 2014	February 2015	Geraldine and Judith Gap Exchanges	214
Upgrade existing access platform from TDM to VoIP in the Harlowton CO footprint. Upgrade provides MGCP interface to soft switch.	August 2014	December 2015	Harlowton Exchange	589
Upgrade existing access platform from TDM to VoIP in the Moore Exchange. Upgrade provides MGCP interface to soft switch.	August 2014	April 2015	Moore Exchange	272
Upgrade existing access platform with bigger uplinks for voice and data in the Stanford and Denton Exchanges.	January 2015	December 2015	Stanford and Denton Exchanges	614
Rebuild 10 CSA's to be FTTH, served from the Central Office. Replace 102 miles of copper with fiber for Geraldine residential and business customers.	January 2014	December 2015	Geraldine Exchange Rural	79
Fiber to the Home - Replace 250 miles of copper with fiber for residential and business customers in the Harlem Exch.	January 2011	July 2015	Harlem Exchange	925
Install Fire Suppression system at the FTBK Fiber Hut in the Harlem Exchange.	August 2015	December 2015	Harlem Exchange	469
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2015	December 2015	All CMC Exchanges	6,621

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

2016 Projected Network Improvements/Upgrades VOICE				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 10 CSA's into 1 large Fiber to the Home Super Node. Replace 119 miles of copper with fiber for Moore residential and business customers.	January 2015	December 2016	Moore Exchange Rural	98
Install Fire Suppression system at the Central Office in the Dodson Exchange.	January 2015	December 2016	Dodson Exchange	93
Rehome SS7 network to provide redundancy and OAM efficiencies.	January 2014	December 2016	All CMC Exchanges	6,621
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2016	December 2016	All CMC Exchanges	6,621

2017 Projected Network Improvements/Upgrades VOICE				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 5 CSA's to be FTTh, served from the Central Office. Replace 67 miles of copper with fiber for Judith Gap residential and business customers.	January 2016	December 2017	Judith Gap Exchange Rural	47
Rebuild 12 CSA's into 2 larger Fiber to the Home Super Nodes. Replace 99 miles of copper with fiber for Harlowton residential and business customers.	January 2016	December 2017	Harlowton Exchange Rural	106
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2017	December 2017	All CMC Exchanges	6,621

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

2018 Projected Network Improvements/Upgrades VOICE				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 4 CSA's into 1 larger Fiber to the Home Super Node. Replace 38 miles of copper with fiber for Denton residential and business customers.	January 2017	December 2018	Denton Exchange Rural	38
Rebuild 6 CSA's into 3 larger Fiber to the Home Super Nodes. Replace 90 miles of copper with fiber for Hobson residential and business customers.	January 2017	December 2018	Hobson Exchange Rural	160
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2018	December 2018	All CMC Exchanges	6,621

2019 Projected Network Improvements/Upgrades VOICE				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 4 CSA's into 1 larger Fiber to the Home Super Node. Replace 40 miles of copper with fiber for Stanford residential and business customers.	January 2018	December 2019	Stanford Exchange Rural	52
Rebuild 4 CSA's into 2 larger Fiber to the Home Super Nodes. Replace 41 miles of copper with fiber for Martinsdale residential and business customers.	January 2018	December 2019	Martinsdale Exchange Rural	73
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2019	December 2019	All CMC Exchanges	6,621

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

2020 Projected Network Improvements/Upgrades VOICE				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 6 CSA's to Central Office served FTTh. Replace 64 miles of copper with fiber for Geraldine residential and business customers.	January 2018	December 2020	Geraldine Exchange Rural	49
Rebuild 6 CSA's to Central Office served FTTh. Replace 71 miles of copper with fiber for Moore residential and business customers.	January 2018	December 2020	Moore Exchange Rural	87
Rebuild 3 CSA's to Central Office served FTTh. Replace 49 miles of copper with fiber for Judith Gap residential and business customers.	January 2018	December 2020	Judith Gap Exchange Rural	15
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2020	December 2020	All CMC Exchanges	6,621

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

2015 Projected Network Improvements/Upgrades BROADBAND				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Upgrade existing access platform from ATM over TDM to Ethernet in the rural parts of the Geraldine and Judith Gap Exchanges.	April 2014	February 2015	Geraldine and Judith Gap Exchanges	165
Upgrade existing access platform from ATM over TDM to Ethernet in the rural part of the Harlowton Exchange.	August 2014	December 2015	Harlowton Exchange	175
Upgrade existing access platform from ATM over TDM to Ethernet in the Moore Exchange.	August 2014	April 2015	Moore Exchange	272
Upgrade existing access platform with bigger uplinks for voice and data in the Stanford and Denton Exchanges.	January 2015	December 2015	Stanford and Denton Exchanges	614
Rebuild 10 CSA's to be FTTH, served from the Central Office. Replace 102 miles of copper with fiber for Geraldine residential and business customers.	January 2014	December 2015	Geraldine Exchange Rural	79
Fiber to the Home - Replace 250 miles of copper with fiber for residential and business customers in the Harlem Exchange.	January 2011	July 2015	Harlem Exchange	925
Install Fire Suppression system at the FTBK Fiber Hut in the Harlem Exchange.	August 2015	December 2015	Harlem Exchange	469
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2015	December 2015	All CMC Exchanges	6,621

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

2015 Projected Network Improvements/Upgrades BROADBAND (Cont.)				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Upgrade existing access platform with VDSL Cards for faster broadband in the town of Stanford. (Moved up from 2016)	January 2015	December 2015	Stanford Exchange	254
Upgrade existing access platform with VDSL Cards for faster broadband in the town of Denton. (Moved up from 2016)	January 2015	December 2015	Denton Exchange	161

2016 Projected Network Improvements/Upgrades BROADBAND				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 10 CSA's into 1 large Fiber to the Home Super Node. Replace 119 miles of copper with fiber for Moore residential and business customers.	January 2015	December 2016	Moore Exchange Rural	98
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2016	December 2016	All CMC Exchanges	6,621
Install equipment to provide fixed wireless broadband service.	January 2014	December 2016	Denton, Stanford, Moore, Judith Gap, Harlowton, Martinsdale and White Sulphur Springs Exchanges	2,136

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

2017 Projected Network Improvements/Upgrades BROADBAND				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 5 CSA's to be FTTh, served from the Central Office. Replace 67 miles of copper with fiber for Judith Gap residential and business customers.	January 2016	December 2017	Judith Gap Exchange Rural	47
Rebuild 12 CSA's into 2 larger Fiber to the Home Super Nodes. Replace 99 miles of copper with fiber for Harlowton residential and business customers.	January 2016	December 2017	Harlowton Exchange Rural	106
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2017	December 2017	All CMC Exchanges	6,621
Install equipment to provide fixed wireless broadband service.	January 2015	December 2017	Geraldine Exchange	136

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

2018 Projected Network Improvements/Upgrades BROADBAND				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 4 CSA's into 1 larger Fiber to the Home Super Node. Replace 38 miles of copper with fiber for Denton residential and business customers.	January 2017	December 2018	Denton Exchange Rural	38
Rebuild 6 CSA's into 3 larger Fiber to the Home Super Nodes. Replace 90 miles of copper with fiber for Hobson residential and business customers.	January 2017	December 2018	Hobson Exchange Rural	160
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2018	December 2018	All CMC Exchanges	6,621

2019 Projected Network Improvements/Upgrades BROADBAND				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 4 CSA's into 1 larger Fiber to the Home Super Node. Replace 40 miles of copper with fiber for Stanford residential and business customers.	January 2018	December 2019	Stanford Exchange Rural	52
Rebuild 6 CSA's into 2 larger Fiber to the Home Super Nodes. Replace 41 miles of copper with fiber for Martinsdale residential and business customers.	January 2018	December 2019	Martinsdale Exchange Rural	73
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2019	December 2019	All CMC Exchanges	6,621

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

2020 Projected Network Improvements/Upgrades BROADBAND				
Project Description	Estimated Start Date	Estimated Completion Date	Area Served	Population Served
Rebuild 6 CSA's to Central Office served FTTh. Replace 64 miles of copper with fiber for Geraldine residential and business customers.	January 2018	December 2020	Geraldine Exchange Rural	49
Rebuild 6 CSA's to Central Office served FTTh. Replace 71 miles of copper with fiber for Moore residential and business customers.	January 2015	December 2016	Moore Exchange Rural	87
Rebuild 3 CSA's to Central Office served FTTh. Replace 49 miles of copper with fiber for Judith Gap residential and business customers.	January 2016	December 2017	Judith Gap Exchange Rural	15
Load test the battery plants at all 13 wire centers and 148 DLC locations for capacity and physical deterioration. Replace batteries as needed.	January 2019	December 2019	All CMC Exchanges	6,621

Annual Reporting for High-Cost Recipients
47 C.F.R. §54.313
Central Montana Communications, Inc.

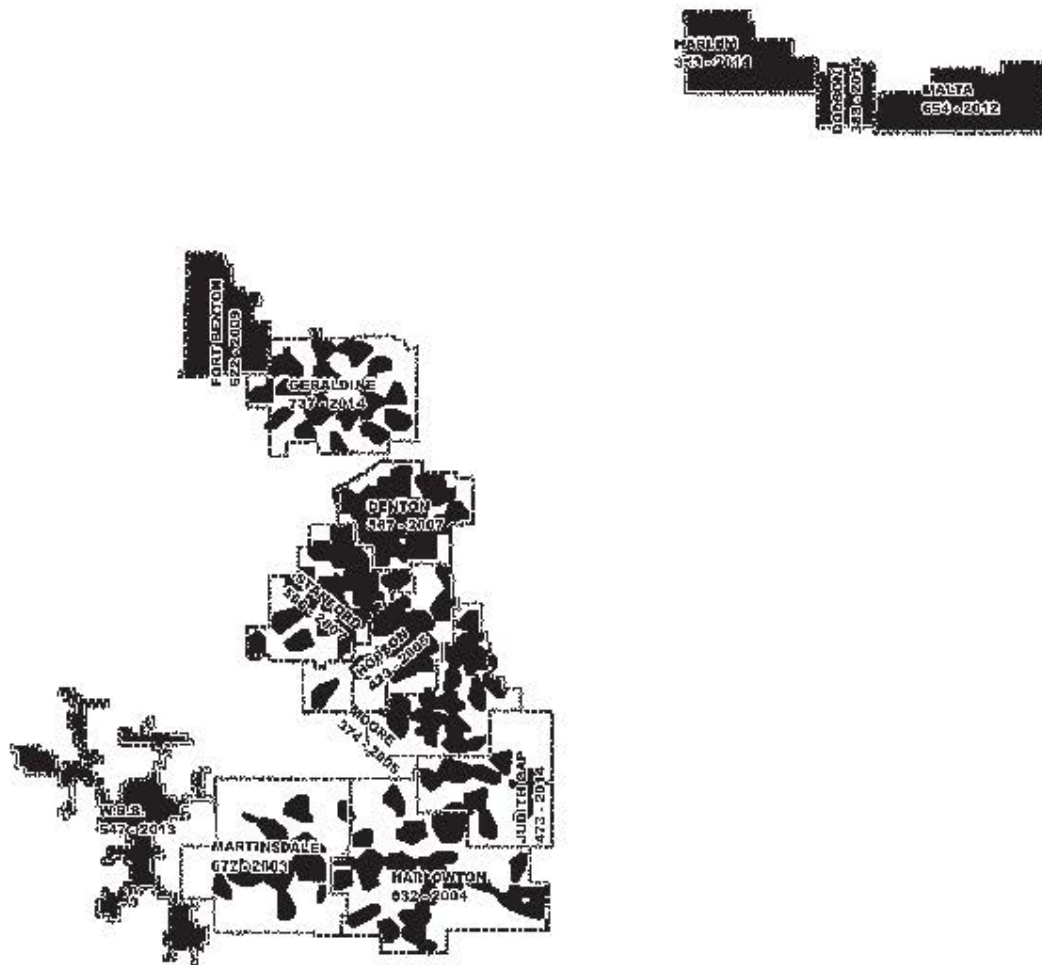
The Company projects that the capital expenditures, by Part 32 account, for 2015 through 2020 for the projects related to VOICE services listed above will be:

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
2110 Land & General Support	0	0	0	0	0	0
2210 Central Office Switching	340,000	350,000	350,000	350,000	360,000	370,000
2230 Central Office Transmission	1,180,000	1,180,000	1,190,000	1,190,000	1,190,000	1,390,000
2410 Cable & Wire Facilities	1,670,000	1,670,000	1,690,000	1,690,000	1,690,000	2,090,000
Total Capital Expenditures	3,190,000	3,200,000	3,230,000	3,230,000	3,240,000	3,850,000

In addition to the above planned capital expenditures, the Company projects that it will incur the following operating expenses related to VOICE services, by expense category, over the next five years:

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Plant Specific	1,340,000	1,420,000	1,500,000	1,590,000	1,690,000	1,790,000
Plant Nonspecific	930,000	990,000	1,050,000	1,110,000	1,180,000	1,250,000
Depreciation	3,870,000	4,110,000	4,350,000	4,610,000	4,890,000	5,180,000
Customer Operations	570,000	600,000	640,000	680,000	720,000	760,000
Corporate Operations	750,000	800,000	850,000	900,000	950,000	1,010,000
Total Operating Expenses	7,460,000	7,920,000	8,390,000	8,890,000	9,430,000	9,990,000

CENTRAL MONTANA COMMUNICATION



2014

Legend

Exchanges

CMC

CMC > 4Mbps

Customer Serving Area

CMC < 4Mbps

CMC Broadband

EXCHANGE NAME

NXX - UPGRADE DATE

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Unfulfilled Service Requests - Voice

Central Montana Communications, Inc. (Central) had three unfulfilled service requests during 2014. These requests required construction to the subscriber premise. For one of the requests, an easement was not signed until after the ground froze and the construction season was over for the winter. Construction to this location was completed in the spring of 2015.

For the other two locations, Central Montana Communications was in the process of securing easements in 2014. Central Montana Communications did receive the easements for one of these locations and construction was completed in the spring of 2015. Once the easements are secured for the other location, we still complete construction and begin offering service.

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Satisfaction of Service Quality Standards and Consumer Protection Rules - Voice

Service Quality Standards

Central Montana Communications, Inc. (Central) is required to meet the service standards of the State of Montana as promulgated in the Montana Administrative Rules 38.5.3301-3371, Telecommunications Service Standards. New employees are trained on the internal processes designed to meet those standards as required by their job functions. Management reviews procedures on a regular basis to ensure that we remain in compliance with the standards.

Consumer Protection

Central complies with the requirements of 47 CFR Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag rules to prevent identity theft. A manual for each of those programs is in place and is reviewed annually. Central uses outside consultants to ensure that the manuals and processes remain current and in compliance with the rules. Employee training is conducted on an as needed basis and new hires are instructed on the programs as required by their job functions. Management reports to the Central Board annually any activities during the prior year related to these rules.

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Satisfaction of Service Quality Standards and Consumer Protection Rules - Broadband

Service Quality Standards

Central Montana Communications, Inc. (Central) follows the service standards of the State of Montana as promulgated in the Montana Administrative Rules 38.5.3301-3371, Telecommunications Service Standards, for its broadband practices where the rules are applicable. New employees are trained on the internal processes designed to meet those standards as required by their job functions. Management reviews procedures on a regular basis to ensure that we remain in compliance with the standards.

Consumer Protection

Central complies with the requirements of 47 CFR Part 64 Subpart U, Customer Proprietary Network Information and the Federal Trade Commission Red Flag rules to prevent identity theft. A manual for each of those programs is in place and is reviewed annually. Central uses outside consultants to ensure that the manuals and processes remain current and in compliance with the rules. Employee training is conducted on an as needed basis and new hires are instructed on the programs as required by their job functions. Management reports to the Central Board annually any activities during the prior year related to these rules.

In addition, Central complies with the requirements of 47 CFR Part 8, Preserving the Open Internet, by disclosing its network management practices, performance characteristics, and terms and conditions of broadband service offerings.

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Ability to Remain Functional in Emergency Situations - Voice

Back-up Power

Central Montana Communications, Inc. (Central) has generator and battery backup at each of its host switch locations. In addition, each remote switch location has either a generator or battery backup or both. One hundred percent of Central's digital loop carriers have either battery or generator backup.

Approximately 39% of Central's subscribers are served with copper connections to the central office and their NIDs are powered from the central office. The remaining subscribers have fiber optic connections to the central office. These customers' NIDs are battery powered in case of emergency. The batteries are rated to last 48 hours with no use and 8 hours with constant use.

Ability to reroute traffic around damaged facilities

Central has built redundant facilities between its exchanges in the form of a SONET ring using the physical facilities of Triangle Telephone Cooperative Assn., Inc. (Triangle) and Central on the following routes:

Havre to Fort Benton to Chester to Havre
Havre to Chinook
Harlem to Dodson to Malta
Big Sandy to Winifred to Moore to Fort Benton
Winifred to Billings to Big Timber to Moore

Capability to manage traffic spikes resulting from emergency situations

Central uses the tandems of Triangle to connect to the public switched telephone network. At its Havre tandem, Triangle serves 11,945 access lines, has switching capacity of 8,064 simultaneous calls, and transport capacity for 1,085 simultaneous calls.

At its Big Timber tandem, Triangle serves 4,621 access lines, has switching capacity of 3,456 simultaneous calls, and transport capacity for 726 simultaneous calls.

Central/Triangle take no responsibility for the capabilities of interconnected networks to manage traffic spikes resulting from emergency situations.

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Ability to Remain Functional in Emergency Situations – Broadband

Back-up Power

Central Montana Communications, Inc. (Central) has generator and battery backup at each of its router locations. One hundred percent of Central's digital loop carriers have either battery or generator backup.

Approximately 39% of Central's subscribers are served with copper connections to the central office and their NIDs are powered from the central office. The remaining subscribers have fiber optic connections to the central office. These customers' NIDs are battery powered in case of emergency. The batteries are rated to last 48 hours with no use and 8 hours with constant use.

Ability to reroute traffic around damaged facilities

Central has built redundant facilities between its exchanges in the form of a ring using the physical facilities of Triangle Telephone Cooperative Assn., Inc. and Central Montana Communications, Inc., on the following routes:

Havre to Fort Benton to Chester to Havre
Havre to Chinook
Harlem to Dodson to Malta
Big Sandy to Winifred to Moore to Fort Benton
Winifred to Billings to Big Timber to Moore

Central has two connections to the statewide network provider, Vision Net, which is used to access Tier I Internet carriers. In turn, Vision Net has redundant routes to the Tier I carriers.

Capability to manage traffic spikes resulting from emergency situations

Central has two 10 Gigabit DIA (Dedicated Internet Access Connection) links to Vision Net, one in Havre and one in Billings. This Internet service is distributed throughout our 10 Gigabit MPLS core network. This equates to about 11% of capacity on average and 20% at peak times.

Central takes no responsibility for the capabilities of interconnected networks to manage traffic spikes resulting from emergency situations.

(700) Price Offerings including Voice Rate Data

Data Collection Form

TCE 1000-481
 20048 Control No. 1000-0048/0048 Control No. 2000-0048
 July 2013

<030> Study Area Code

153310

<035> Study Area Name

CERTSOL MOYLAB

<036> Program Year

2016

<038> Contact Name - Person USAC should contact regarding this data

Gail Zainey

<039> Contact Telephone Number - Number of person identified in data line <030>

4053947207 ext. 855

<038> Contact Email Address - Email Address of person identified in data line <030>

g.zainey@tce.com

<700> Residential Local Service Charge Effective Date

7/1/2015

<702> Single State wide Residential Local Service Charge

<703>

State	Exchange (List)	SAC (List)	Rate Type	Residential Local Service Rate	State Subscriber Line Charge	State Universal Service Fee	Mandatory Extended Area Service Charge	Initial per line Ratio and Fee
MT	Harlem		PR	16.0	0.0	0.0	5.5	21.5
MT	MOORE		PR	16.0	0.0	0.0	5.5	21.5
MT	Dodson		PR	16.0	0.0	0.0	5.5	21.5
MT	Hobson		PR	16.0	0.0	0.0	5.5	21.5
MT	Judith Gap		PR	16.0	0.0	0.0	5.5	21.5
MT	Stanford		PR	16.0	0.0	0.0	5.5	21.5
MT	Denton		PR	16.0	0.0	0.0	5.5	21.5
MT	Marlinsdale		PR	16.0	0.0	0.0	5.5	21.5
MT	Torl Benton		PR	16.0	0.0	0.0	5.5	21.5
MT	Harlowton		PR	16.0	0.0	0.0	5.5	21.5
MT	Malta		PR	16.0	0.0	0.0	5.5	21.5
MT	Geraldine		PR	16.0	0.0	0.0	5.5	21.5

**(800) Operating Companies
Data Collection Form**

FCC Form 451

OMB Control No. 3060-0986/DMB Control No. 3060-0419

July 2013

<010>	Study Area Code	483310
<015>	Study Area Name	CUBBERG MOUNTAIN
<020>	Program Year	2010
<030>	Contact Name - Person USAC should contact regarding this data	Wall Bailey
<035>	Contact Telephone Number - Number of person identified in data line <030>	0063947807 ext. 855
<039>	Contact Email Address - Email Address of person identified in data line <030>	graymoy@tatiernational.net

<810> Reporting Carrier

<811>	Holding Company	Not Applicable
-------	-----------------	----------------

<812>	Operating Company	n/a
-------	-------------------	-----

[illegible]

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Compliance with Tribal Government Engagement

Fort Belknap Indian Reservation

Central Montana Communications, Inc. met with the Fort Belknap Tribal Council on January 13, 2014. This meeting focused on the fiber to the home project taking place on the northern portion of the Fort Belknap Indian Reservation. We discussed the process of obtaining easements and cultural preservation reviews for the project and ways to improve these processes going forward. We also discussed plans to provide fixed wireless broadband service to the southern half of the Reservation later in the year. Other items discussed include:

- Deployment planning with a focus on Tribal community anchor institutions;
- Feasibility and sustainability planning;
- Marketing services in a culturally sensitive manner;
- Rights of way processes, land use permitting, facilities siting, environmental and cultural preservation review processes; and
- Compliance with Tribal business and licensing requirements.


A follow-up meeting was held on June 12, 2015.

A copy of the Fort Belknap Indian Community business license is attached.

In accordance with the Fort Belknap
Tribal Employment Rights Office,
an *'Employer Right-To-Do Business'*
is hereby issued to

***TRIANGLE TELEPHONE COOPERATIVE ASSN., INC. /
CENTRAL MONTANA COMMUNICATIONS***

and is a Corporation located at
2121 Highway 2 NW, P.O. Box 1220
Havre, MT 59501


Fort Belknap TERO Director

1-02-14
Date:

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10) Central Montana Communications, Inc. ("Central") is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of \$47.48 as specified in Public Notice DA 15-470 issued on April 16th, 2015. Central's current total local end-user rate¹ of \$21.50 (which includes a local fee of \$16 and mandatory extended area service charges of \$5.50) is not above the standard deviation as specified in the USF/ICC Transformation Order.²

¹ Local End User Rate as defined in USF/ICC Transformation Order 26 FCC Rcd at 17751, Para. 238

² USF/ICC Transformation Order, 26 FCC Rcd at 17694, Para. 84 (footnote included) "The standard deviation is a measure of dispersion. The sample standard deviation is the square root of the sample variance. The sample variance is calculated as the sum of the squared deviations of the individual observations in the sample of data from the sample average divided by the total number of observations in the sample minus one. In a normal distribution, about 68 percent of the observations lie within one standard deviation above and below the average and about 95 percent of the observations lie within two standard deviations above and below the average."

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Lifeline Terms and Conditions

Central Montana Communications, Inc. (Central) offers Lifeline discounts on its residential phone service to qualifying subscribers. Residential telephone service costs \$16 per month and includes unlimited local minutes. If the subscriber resides in an EAS area, there is an additional charge of \$5.50 per month for unlimited minutes calls made to locations within the EAS area.¹

Lifeline eligible subscribers may apply their Lifeline discount to bundles of service which include a voice component. Where a Lifeline subscriber makes only a partial payment for a bundled service package, Central applies the partial payment first to the allocated price of the voice telephony service component of the bundle and then to the cost of any additional services included in the bundled package.

Toll charges are assessed by the long distance provider selected by the subscriber. Central provides toll blocking service to Lifeline eligible subscribers at no charge. Lifeline eligible subscribers that choose toll blocking service are not required to pay a deposit for their service.

¹ The subscriber has the option of a flat rate EAS charge of \$3 per month combined with a \$0.05 per minute of use charge capped at \$7.50 per month.

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Milestone Certification

Pursuant to 47 C.F.R. § 54.202(a) Central Montana Communications, Inc. (Central) provides this certification that it is taking reasonable steps to provide upon reasonable request broadband speeds of at least 4 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to offerings in urban areas as determined in an annual survey as specified in Public Notice DA 15-470, and that requests for such service are met within a reasonable amount of time. Details for how Central is meeting its obligations for broadband goals and required obligations are specified within the FCC Form 481 annual filing.

Central Montana Communications, Inc.
Annual 54.313 Report of High-Cost Recipient

Anchor Institutions

Following are the community anchor institutions to which Central Montana Communications, Inc. began providing access to broadband service in 2014:

<u>Number</u>	<u>Name</u>	<u>Address</u>
4063534175	Fort Belknap Indian Community-Chemical Dependency Center	122 Arena Ave, Fort Belknap, MT 59526
4063532447	Fort Belknap Indian Community-Transit	258 Main St, Fort Belknap, MT 59526

According to the Information Freedom Act of 1995, no agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0512-0001. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA, RUS		This data will be used by RUS to verify your financial situation. Your response is required by 7 USC 901 et seq. and, subject to Federal laws and regulations regarding confidential information, will be treated as confidential.			
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER NAME Central Montana Communications Loans, Inc (Prepared with Audited Data)			
INSTRUCTIONS: Submit report to RUS within 30 days after close of this period. For detailed instructions, see RUS Bulletin 1744-2, Report in whole dollar only.		PERIOD ENDING December, 2014	BORROWER DESIGNATION MT0528		
CERTIFICATION					
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system in the best of our knowledge and belief.					
ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.					
DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7 CFR CHAPTER XVII (Check one of the following)					
<input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.		<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report			
Richard Stevens		4/28/2015			
		DATE			
PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	1,005,681	6,497,055	25. Accounts Payable	1,163,433	184,628
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments	365,707	419,132
a. Telecom, Accounts Receivable	1,090,994	1,040,361	28. Customer Deposits	52,700	59,457
b. Other Accounts Receivable			29. Current Mat. LT Debt	2,259,911	2,485,000
c. Notes Receivable			30. Current Mat. LT Debt Run. Dev.		
4. Non-Affiliates:			31. Current Mat. Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued	12,065,513	15,055,209
b. Other Accounts Receivable	1,025,422	1,561,274	33. Other Taxes Accrued	710,312	824,595
c. Notes Receivable	24,421	10,054	34. Other Current Liabilities	199,959	223,272
5. Interest and Dividends Receivable	6,664	6,183	35. Total Current Liabilities (25 thru 34)	17,567,535	19,251,293
6. Material-Regulated			LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes	13,495,836	12,035,134
8. Prepayments	145,467	114,382	37. Funded Debt-RTB Notes	99,111	68,307
9. Other Current Assets			38. Funded Debt-FFR Notes	19,320,351	26,021,359
10. Total Current Assets (1 Thru 9)	3,298,049	9,229,309	39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on LT Debt		
a. Rural Development			42. Recaptured Debt		
b. Nonrural Development	31,060	33,149	43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development	4,201,039	3,639,793	46. Total Long-Term Debt (36 thru 45)	32,915,400	38,124,800
13. Nonregulated Investments		3,639	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)	4,232,899	3,376,579	50. Total Other Liabilities and Deferred Credits (47 thru 49)	0	0
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-In-Service	96,714,322	115,775,019	51. Cap. Stock Outstand. & Subordinated	6,390,000	6,390,000
19. Property Held for Future Use			52. Additional Paid-In Capital		
20. Plant Under Construction	16,962,302	1,120,668	53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation	34,563,422	38,105,276	55. Other Capital		
23. Net Plant (18 thru 21 less 22)	79,113,202	78,790,411	56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Morphs	29,771,215	28,238,206
			58. Total Equity (51 thru 57)	36,161,215	34,628,206
			59. TOTAL LIABILITIES AND EQUITY (38+46+50+59)	86,644,150	92,004,299
	86,644,150	92,004,299			

Total Equity = 37.64% of Total Assets

USDA-RUS		BORROWER DESIGNATION	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		NP0528	
		PERIOD ENDING	
INSTRUCTIONS: See RUS Bulletin 1744-2		December, 2014	
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS			
ITEM	PRIOR YEAR	THIS YEAR	
1. Local Network Services Revenues	3,570,684	3,314,670	
2. Network Access Services Revenues	13,777,475	16,705,545	
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues	60,944	72,395	
5. Miscellaneous Revenues	131,358	120,464	
6. Uncollectible Revenues	992	9,795	
7. Net Operating Revenues (1 thru 6 less 8)	17,559,449	20,209,219	
8. Plant Specific Operations Expense	1,891,311	2,192,806	
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	1,674,359	1,812,690	
10. Depreciation Expense	5,726,231	5,845,224	
11. Amortization Expense	0	0	
12. Customer Operations Expense	1,049,262	1,098,527	
13. Corporate Operations Expense	1,063,615	1,108,251	
14. Total Operating Expenses (8 thru 13)	11,398,778	12,036,978	
15. Operating Income or Margins (7 less 14)	6,160,671	8,152,241	
16. Other Operating Income and Expenses			
17. State and Local Taxes	253,628	380,246	
18. Federal Income Taxes	1,191,300	1,786,026	
19. Other Taxes	1,438,108	1,671,585	
20. Total Operating Taxes (17+18+19)	2,883,036	3,837,857	
21. Net Operating Income or Margins (15+18-20)	3,277,635	4,314,384	
22. Interest on Funded Debt	1,258,389	1,434,962	
23. Interest Expense - Capital Leases			
24. Other Interest Expense	1,864	2,134	
25. Allowance for Funds Used During Construction	209,291	426,387	
26. Total Fixed Charges (22+23+24-25)	1,058,962	1,010,609	
27. Nonoperating Net Income	155,988	199,087	
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income	(70,136)	(35,751)	
31. Total Net Income or Margins (21+27+28+29+30-26)	2,312,525	3,466,991	
32. Total Taxes Based on Income	1,444,928	2,166,272	
33. Retained Earnings or Margins Beginning-of-Year	27,458,690	29,771,215	
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date		5,000,000	
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	29,771,215	28,238,206	
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)	0	0	
44. Annual Debt Service Payments	4,362,243	3,848,760	
45. Cash Ratio [(14+20-10+11) / 7]	0.4872	0.4973	
46. Operating Accrual Ratio [(14+20+26) / 7]	0.8732	0.8355	
47. TIER [(31+28) / 28]	3.2004	4.4303	
48. DSCR [(31+28+10+11) / 44]	2.0837	2.6821	

USDA-RUS		BORROWER DESIGNATION MT0528	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		PERIOD ENDED December, 2014	
INSTRUCTIONS – See help in the online application.			
PART I – STATEMENT OF CASH FLOWS			
1.	Beginning Cash (Cash and Equivalents plus RUB Construction Fund)		1,005,681
CASH FLOWS FROM OPERATING ACTIVITIES			
2.	Net Income		3,466,991
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities			
3.	Add: Depreciation		5,845,224
4.	Add: Amortization		0
5.	Other (Explain)		
Changes in Operating Assets and Liabilities			
6.	Decrease/(Increase) in Accounts Receivable		(485,819)
7.	Decrease/(Increase) in Materials and Inventory		0
8.	Decrease/(Increase) in Prepayments and Deferred Charges		31,045
9.	Decrease/(Increase) in Other Current Assets		0
10.	Increase/(Decrease) in Accounts Payable		(978,805)
11.	Increase/(Decrease) in Advance Billings & Payments		53,425
12.	Increase/(Decrease) in Other Current Liabilities		2,327,292
13.	Net Cash Provided/(Used) by Operations		10,259,393
CASH FLOWS FROM FINANCING ACTIVITIES			
14.	Decrease/(Increase) in Notes Receivable		14,367
15.	Increase/(Decrease) in Notes Payable		0
16.	Increase/(Decrease) in Customer Deposits		6,757
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		5,404,489
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits		0
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		0
20.	Less: Payment of Dividends		0
21.	Less: Patronage Capital Credits Retired		0
22.	Other (Explain) Balance Sheet Lines 5,32,33		2,304,460
23.	Net Cash Provided/(Used) by Financing Activities		7,819,073
CASH FLOWS FROM INVESTING ACTIVITIES			
24.	Net Capital Expenditures (Property, Plant & Equipment)		(3,227,063)
25.	Other Long-Term Investments		256,320
26.	Other Noncurrent Assets & Jurisdictional Differences		0
27.	Other (Explain) Plant retirement not accounted for		(9,607,345)
28.	Net Cash Provided/(Used) by Investing Activities		(12,578,092)
29.	Net Increase/(Decrease) in Cash		5,491,374
30.	Ending Cash		6,497,055

Revision Date 2010